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Item 116 of the preliminary list*
Scale of assessments for the apportionment of the expenses of the United Nations

Multi-year payment plans

Report of the Secretary-General

Summary

In its resolution 57/4 B, the General Assembly endorsed the conclusions and recommendations of the Committee on Contributions concerning multi-year payment plans and, in its resolution 58/1 B, the Assembly reaffirmed that endorsement. In this connection, the Committee recommended that the Secretary-General be requested to provide information on the submission of such plans to the Assembly, through the Committee on Contributions. It also recommended that the Secretary-General be requested to submit an annual report to the Assembly, through the Committee on Contributions, on the status of Member States' payment plans at 31 December each year. The present report is submitted in compliance with those requests and provides information on payment plans/schedules submitted by Georgia, the Niger, the Republic of Moldova, Sao Tome and Principe and Tajikistan and on the status of implementation of those plans at 31 December 2003.

The General Assembly may wish to take note of the report and encourage Member States with significant arrears of contributions to consider submitting a multi-year payment plan.

* A/59/50 and Corr.1.

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I. Introduction

1. In its resolution 56/243 A of 24 December 2001, the General Assembly, inter alia, recognized that multi-year payment plans, subject to careful formulation, could be helpful in allowing Member States to demonstrate their commitment under Article 19 of the Charter to pay their arrears, thereby facilitating consideration of applications for exemption by the Committee on Contributions, and requested the Secretary-General to propose guidelines for such multi-year payment plans through the Committee on Contributions.

2. After considering the report of the Secretary-General on multi-year payment plans (A/57/65) at its sixty-second session in 2002,[1] the Committee on Contributions agreed that Member States should be encouraged to submit such plans, which constitute a useful tool for reducing their unpaid assessed contributions and a way for them to demonstrate their commitment to meeting their financial obligations to the United Nations. The Committee recognized in that regard that due consideration should be given to the economic position of Member States, as not all of them might be in a position to submit such plans. It recommended that multi-year payment plans should remain voluntary and should not be automatically linked to other measures.

3. The Committee also recommended that Member States considering a multi-year payment plan should submit the plan to the Secretary-General for the information of other Member States and should be encouraged to consult the Secretariat for advice in its preparation. In that context, it was suggested that:

(a) The plans should provide for payment each year of the Member State's current year assessments and a part of its arrears;

(b) Where possible, the plans should generally provide for elimination of a Member State's arrears within a period of up to six years.

4. The Committee further recommended that the Secretary-General should be requested to provide information on the submission of such plans to the General Assembly, through the Committee on Contributions. It recommended that the Secretary-General should also be requested to submit an annual report to the Assembly, through the Committee on Contributions, on the status of Member States' payment plans at 31 December each year.

5. The Committee also recommended that, for those Member States that are in a position to submit a payment plan, the Committee on Contributions and the General Assembly should take the submission of a plan and its status of implementation into account as one factor when they consider requests for exemption under Article 19.

6. In paragraph 1 of its resolution 57/4 B of 20 December 2002, the General Assembly endorsed the conclusions and recommendations contained in paragraphs 17 to 23 of the aforementioned report of the Committee on Contributions on its sixty-second session. In its resolution 58/1 B of 23 December 2003, the Assembly reaffirmed paragraph 1 of its resolution 57/4 B. The first annual report on multi-year payment plans (A/58/63) was considered by the Assembly at its fifty-eighth session.

II. Submission of multi-year payment plans

7. Since the issue of the aforementioned first annual report, Georgia submitted a revised payment plan, as indicated in the report of the Committee on Contributions on its sixty-third session,[2] and the Niger sent a new proposal on 22 March 2004. Other payment plans/schedules had been submitted earlier by the Republic of Moldova, Sao Tome and Principe and Tajikistan. In the announcement concerning the sixty-fourth session of the Committee on Contributions, to be included in the Journal of the United Nations from 1 March to 24 May 2004, the Secretariat has invited Member States considering the submission of a multi-year payment plan to contact the Secretariat for further information. Should any other payment plans be submitted in future, related information will be provided in an addendum to the present report or in the report to be submitted to the General Assembly at its sixtieth session.

8. The most recent plan submitted by the Republic of Moldova is within the six-year time frame mentioned by the Committee, while those submitted by Georgia, the Niger, Sao Tome and Principe and Tajikistan have durations of 10, 9, 8 and 11 years, respectively. For the purposes of the present report, payments are taken to include cash payments by the Member States concerned, together with the application of any credits arising to their account during the period concerned. Related information is provided below.

Georgia

9. The Government of Georgia indicated to the Committee on Contributions, at the special session of the Committee in 1999, that it intended to submit a schedule of future payments. It did so in 2000 at the sixtieth session of the Committee. At the sixty-first session of the Committee, in 2001, the Government of Georgia submitted a revised schedule. Under cover of his letter of 4 May 2002 to the President of the General Assembly, the Minister for Foreign Affairs of Georgia submitted another revision of the schedule and, in his letter dated 17 May 2003 to the President, the Minister submitted a further revision of the schedule. Those submissions are summarized below:

	Schedule proposed in			
	2000	*2001*	*2002*	*2003*
	(US dollars)			
2000	180 000			
2001	707 104	801 300		
2002	707 104	711 549*	671 818	
2003	707 104	711 549*	1 260 272*	
2004	1 060 656	1 067 324*	1 260 272*	776 229
2005	1 060 656	1 067 324*	1 260 272*	776 229
2006	1 414 208	1 423 094*	1 260 272*	776 229
2007	1 414 208	1 423 094*	1 260 272*	776 229
2008				776 229
2009				776 229
2010				776 229
2011				776 229
2012				776 229
2013				776 229

* Plus contributions for the current year.

10. If fully implemented, the most recent schedule proposed by the Government of Georgia would involve payments totalling $7,726,290. It would reduce Georgia's outstanding assessed contributions at the end of 2013 to its total assessments for the period 2004-2013 minus $660,126.

Niger

11. In a note verbale dated 22 March 2004 to the Secretariat, the Permanent Mission of Niger to the United Nations submitted a proposed schedule for the payment of its assessed contributions. The schedule is summarized below:

	Payment (US dollars)
2004	18 000
2005	40 000
2006	45 000
2007	50 000
2008	70 000
2009	98 000
2010	98 000
2011	98 000
2012	30 000

12. If fully implemented, this schedule would involve payments totalling $547,000 over the period 2004-2012. If that amount is received during 2004-2012, it would reduce the Government's outstanding assessed contributions at the end of 2012 to the total of its assessments during 2004-2012 minus $143,035.

Republic of Moldova

13. At the special session of the Committee on Contributions in 1996, the Government of the Republic of Moldova indicated its intention to pay its arrears of assessed contributions to the United Nations over a period of seven years. The Government indicated revised schedules of payments at the fifty-ninth and sixty-first sessions of the Committee, in 1999 and 2001, respectively, which are summarized below:

	Schedule proposed in:		
	1996	*1999*	*2001*
	(US dollars)		
1996	1 000 000		
1997	1-1.2 million		
1998	1-1.2 million		
1999	1-1.2 million		
2000	1-1.2 million	500 000	
2001	1-1.2 million	558 947	180 000
2002	1-1.2 million	700 000	500 000
2003		700 000	800 000
2004		700 000	820 000
2005			1 000 000

14. If fully implemented, the most recent schedule proposed by the Government of the Republic of Moldova would involve payments totalling $3.3 million over the period 2001-2005. If that amount is received during 2001-2005, it would reduce the Government's outstanding assessed contributions at the end of 2005 to its total assessments during the period 2004-2005 plus $63,502.

Sao Tome and Principe

15. Under cover of his letter of 17 May 2002 to the President of the General Assembly, the Chargé d'affaires a.i. of Sao Tome and Principe to the United Nations submitted the following calendar of future payments:

	Payment (US dollars)
2002	27 237
2003	42 237
2004	59 237
2005	74 237
2006	89 237
2007	114 237
2008	134 237
2009	153 752

16. If fully implemented, the schedule proposed by the Government of Sao Tome and Principe would involve payments totalling $693,896. If that amount is received during the period 2002-2009, it would reduce the Government's outstanding assessed contributions at the end of 2009 to its total assessments during 2004-2009 minus $62,674.

Tajikistan

17. In his letter of 15 September 2000 to the President of the General Assembly, the Prime Minister of Tajikistan indicated that his Government had paid $65,250.76 that year and proposed a plan for the phased reduction of its arrears, which is summarized below:

	Payment (US dollars)
2000	65 251
2001	67 822
2002	67 822
2003	67 822
2004	67 822
2005	67 822
2006	203 466
2007	203 466
2008	203 467
2009	203 467
2010	203 467

18. If fully implemented, the schedule proposed by the Government of Tajikistan would involve payments totalling $1,421,694. If that amount is received during the period 2000-2010, it would reduce the Government's outstanding assessed contributions at the end of 2010 to $1,171,421 plus its total assessments during the period 2004-2010.

Other Member States

19. As indicated in the report of the Committee on Contributions on its sixty-third session,[3] the Central African Republic indicated, in its representation concerning the application of Article 19 of the Charter, that it planned to submit at a later date a schedule for the payment of its contributions in arrears. The schedule had not been received at the time that the present report was prepared.

20. Otherwise, no other Member States have so far submitted payment plans or schedules for the elimination of their arrears, except for the Niger. While it is not possible to predict which Member States may choose to submit multi-year payment plans in future, it is reasonable to assume that Member States may be more likely to avail themselves of that option if their outstanding assessed contributions are high in relation to the current level of their assessed contributions. The table below shows the distribution of Member States' unpaid assessed contributions at 31 December 2003 in relation to the level of their assessed contributions for 2003.

Outstanding assessed contributions at 31 December 2003 were the following proportion of 2003 assessments	*Number of Member States*	*Total amount outstanding at 31 December 2003 (US dollars)*
No outstanding assessed contributions	21	-
Less than 100%	104	1 138 511 037
100-199%	29	134 547 138
200-299%	22	25 589 636
300-399%	1	73 649 028
400-499%	-	-
More than 499%	14*	230 588 164

* Including the five Member States that have submitted payment plans.

III. Status of Member States' payment plans at 31 December 2003

21. The status of implementation of the most recent payment plans submitted by Georgia, the Niger, the Republic of Moldova, Sao Tome and Principe and Tajikistan at 31 December 2003 is summarized below.

Status of payment plans at 31 December 2003

(United States dollars)

	Georgia				*Niger*			
	Most recent plan	*Assessments at 31 December*	*Payments/ credits*	*Outstanding at 31 December*	*Payment plan*	*Assessments at 31 December*	*Payments/ credits*	*Outstanding at 31 December*
1999				7 205 324				334 149
2000		116 120	184 443	7 188 001		27 082	95	361 136
2001		87 686	302 218	6 973 469		14 483	318	375 301
2002		114 552	70 298	7 019 723		15 723	3 233	387 791
2003		97 200	14 759	7 102 164		17 124	950	403 965
2004	776 229				18 000			
2005	776 229				40 000			
2006	776 229				45 000			
2007	776 229				50 000			
2008	776 229				70 000			
2009	776 229				98 000			
2010	776 229				98 000			
2011	776 229				98 000			
2012	776 229				30 000			
2013	776 229							

	Republic of Moldova				*Sao Tome and Principe*			
	Payment plan	*Assessments at 31 December*	*Payments/ credits*	*Outstanding at 31 December*	*Payment plan*	*Assessments at 31 December*	*Payments/ credits*	*Outstanding at 31 December*
1999				3 386 720				570 783
2000		161 436	324 618	3 256 538		13 543	48	584 278
2001	180 000	38 395	163 254	3 131 810		14 254	157	598 375
2002	500 000	56 202	516 732	2 679 236	27 237	15 723	29 146	584 952
2003	800 000	38 883	826 675	1 856 841	42 237	17 124	929	601 147
2004	820 000				59 237			
2005	1 000 000				74 237			
2006					89 237			
2007					114 237			
2008					134 237			
2009					153 752			
2010								
2011								
2012								
2013								

	Tajikistan			
	Payment plan	*Assessments at 31 December*	*Payments/ credits*	*Outstanding at 31 December*
1999				2 436 208
2000	65 251	63 507	205 389	2 294 326
2001	67 822	18 727	296 251	2 046 802
2002	67 822	22 205	306 961	1 765 046
2003	67 822	19 439	296 657	1 487 857
2004	67 822			
2005	67 822			
2006	203 466			
2007	203 466			
2008	203 467			
2009	203 467			
2010	203 467			
2011				
2012				
2013				

22. As indicated in the table, the Government of Tajikistan has significantly exceeded the payments/credits for the period 2000-2003 foreseen in its schedule. Payments/credits totalling $1,105,258 were applied during the period, compared to anticipated payments totalling $268,717 for those years in its schedule. As a result, should the Government of Tajikistan make the payments currently indicated in its schedule for the period 2004-2010 (a total of $1,152,977), its outstanding assessed contributions at the end of 2010 would amount to $334,880 plus the amount of its assessments during the period 2004-2010.

23. Payments/credits from the Republic of Moldova during the period 2001-2003 ($1,506,661) exceeded somewhat payments foreseen in its schedule for the same period ($1,480,000). As a result, should the Government of the Republic of Moldova make the payments currently indicated in its schedule for the period 2004-2005 (a total of $1,820,000), its outstanding assessed contributions at the end of 2005 would amount to $36,841 plus the amount of its assessments during the period 2004-2005.

24. Payments by the Government of Sao Tome and Principe foreseen during the period 2002-2003 in its payments schedule ($69,474) exceeded the amounts actually received/applied in those years ($30,075). As a result, should the Government of Sao Tome and Principe make the payments currently indicated in its schedule for the period 2004-2009 ($624,442), its outstanding assessed contributions at the end of 2009 would amount to its assessments during the period 2004-2009 minus $23,295.

25. The schedule submitted by the Niger and the most recent revision of Georgia's payment plan only begin in 2004.

IV. Conclusions and recommendations

26. **The General Assembly may wish to take note of the present report and encourage Member States with significant arrears of contributions to consider submitting a multi-year payment plan.**

Notes

[1] See *Official Records of the General Assembly, Fifty-seventh Session, Supplement No. 11* (A/57/11), chap. iV.A.

[2] Ibid., *Fifty-eighth Session, Supplement No. 11* (A/58/11), para. 52.

[3] Ibid., chap. V.2.